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May 10, 2006

Dennis Johnson
Senior Portfolio Manager
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400 Q Street, Suite E4800
Sacramento, CA 95814

Dear Mr. Johnson:

Your April 13, 2006, letter to Marathon Oil Corporation President and CEO Clarence P. Cazalot, Jr., concerning Sudan and the interests Marathon holds in that country has been forwarded to me for response.

In this regard, I have enclosed a list of the questions you provided on behalf of CALPERS, the New York State Comptroller and the Deputy Treasurer of the State of Connecticut, along with our answers to each of the questions. As a point of information, Marathon previously responded to a similar request from Mr. Howard Rifkin, Deputy Treasurer of the State of Connecticut, and the enclosed answers are consistent with the information we provided to Mr. Rifkin. It is my understanding that you will be providing copies of our responses to these other organizations per your voice mail message to Paul Weeditz of Marathon's Public Affairs office.

Please do not hesitate to contact me if you have any further questions or if I can assist any further concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'K L Matheny', written in a cursive style.

Attachment

- 1) Does Marathon Oil Company, a subsidiary of Marathon Oil Corporation, or joint venture thereof ("Affiliated Business Entity") engage in any direct or indirect business activity in Sudan? If yes, identify the name and nature of such business and how long has such business been taking place?

Answer: While Marathon has held exploration interests in Sudan since 1983, we have not participated in any business or other activity in that country since 1985 due to civil unrest and subsequent U.S. Government sanctions against Sudan. The following provides a brief overview of Marathon's exploration interests:

- ***Marathon holds a 32.5 percent interest in Sudan's Central Block, formerly known as Block B***
- ***Other interest owners in the Central Block are Total with 32.5 percent (operator), Kufpec with 25 percent, and Sudapet Limited (the Sudanese National Oil Company) with 10 percent.***
- ***Marathon acquired its interest in the Central Block in 1983.***
- ***In November 1997, the U.S. Government imposed sanctions against Sudan with which Marathon has complied.***

In December of 2004, Marathon, under a license granted to it by the United States Office of Foreign Asset Control (OFAC), signed a revised exploration and production sharing agreement with the Government of Sudan related to the Central Block interest. The license granted by OFAC simply allowed Marathon to sign a revised exploration and production sharing agreement in order for Marathon to protect its Central Block interest. It is important to note that Marathon has made no direct or indirect payments to Sudan as a result of the revised agreement. The OFAC license, consistent with U.S. Government sanctions, does not allow Marathon to conduct any operations or other business activity in Sudan. Marathon has in the past, and will continue to abide by all existing U.S. Government sanctions related to Sudan.

- 2) What portion of Marathon Oil Corporation or any Affiliated Business Entity's current revenue stream is from direct or indirect business activity in Sudan, and what portion of the company's or Affiliated Business Entity's total assets were used to earn said revenue?

Answer: Marathon does not generate any revenue from its interests in Sudan.

- 3) Has Marathon Oil Corporation or any Affiliated Business Entity made a capital investment in Sudan?

Answer: No.

- 4) Has Marathon Oil Corporation or Affiliated Business Entity entered into any licensing agreement with the Sudan government in order to engage in current or future business activities?

Answer: Please see our answer to question number one.

- 5) Is Marathon Oil Corporation or Affiliated Business Entity doing any business with a corporation that is owned by the Sudan government?

Answer: No, however, the Sudanese National Oil Company holds a 10 percent interest in the Central Block concession.

- 6) How many Marathon Oil Corporation or Affiliated Business Entity employees are in Sudan?

Answer: None

- 7) What fees and/or taxes do Marathon Oil Corporation and/or any Affiliated Business Entity pay to the Sudan government and what are the fees and/or taxes for?

Answer: Consistent with U.S. Government sanctions, Marathon makes no payments to the Government of Sudan.

- 8) Has your company adopted and implemented policies and procedures for operating in Sudan?

Answer: Marathon has had no business or other activities in Sudan since 1985. Marathon is a participant in the Voluntary Principles on Security and Human Rights and applies those principles wherever it operates.

- 9) Has Marathon Oil Corporation or any Affiliated Business Entity done anything to promote and/or protect human rights from the atrocities taking place in Sudan?

Answer: Marathon has had no business or other activities in Sudan since 1985. Marathon is a participant in the Voluntary Principles on Security and Human Rights and applies those principles wherever it operates.